RESTATED BYLAWS
OF
THE LAS FLORES WATER COMPANY
a California corporation

ARTICLE I

NAME

Section 1. CORPORATE NAME. The name of the corporation shall be "The Las Flores Water Company," which shall be referred to herein as the "Company."

ARTICLE II

PRINCIPAL OFFICE

Section 1. PRINCIPAL OFFICE. The principal office for the transaction of the business of the Company shall be at such location as is established from time to time by the Board of Directors in the area in which the Company is authorized to provide water service.

ARTICLE III

OBJECTS AND PURPOSES

Section 1. OBJECTS AND PURPOSES. The objects and purposes of the Company shall be to develop, distribute, supply and deliver water for domestic, municipal and irrigation uses or any one of such uses to its shareholders. The Company shall be authorized to do whatever may be deemed necessary, conducive, incidental or advisable to accomplish and promote said objects or purposes, including but not limited to:

(a) Constructing, leasing, maintaining and operating water system facilities;

(b) Acquiring, owning, leasing or developing water, water rights or water bearing lands; and

(c) Paying all taxes, utilities, charges and assessments by which to further the foregoing objects and purposes; and to do any other act or thing in any way connected with the foregoing or related to the objects and purposes of the Company.

ARTICLE IV

SHAREHOLDERS

Section 1. REGULAR MEETINGS. Unless otherwise designated by the Company's Board of Directors, meetings of shareholders shall be held at the Company's principal office. The annual meeting of shareholders shall be held each year on a date and at a time designated by the Board of Directors. In the absence of any such designation, the annual meeting shall be held on the second Monday in March of each year beginning at 7:30 p.m. The board of directors shall be elected at the annual meetings of shareholders in accordance with Article V, Section 3, below, and any other proper business may be transacted at each annual meeting, including passing upon reports for the previous fiscal year and transacting such other business as may come before the meeting. Failure to hold the annual meeting at the designated time and date shall not work a forfeiture or dissolution of the Company, and in the event of such failure, the annual meeting shall be held within a reasonable time thereafter.

Section 2. SPECIAL MEETINGS. A special meeting of the shareholders may be called at any time by the Board of Directors, or by the President, or by one or more shareholders holding shares in the aggregate entitled to cast not less than ten percent (10%) of the votes.

On request in writing to the Board Chairperson, or the President, or the Vice President, or the Secretary of the Company by any person (other than the Board) entitled to call a special meeting of shareholders, the officer immediately must cause notice to be given to the shareholders entitled to vote that a meeting will be held at a time requested by the person or persons calling the meeting, not less than 35, nor more than 60, days after receipt of the request. If the notice is not given within 20 days after receipt of the request, the persons requesting the meeting may give the notice. Nothing contained in this paragraph of this Section 2 shall be construed as limiting, fixing or affecting the time when a meeting of shareholders called by action of the Board of Directors may be held.

Section 3. NOTICE OF SHAREHOLDERS' MEETINGS. All notices of meetings of shareholders shall be sent or otherwise given in accordance with Section 4 of this Article IV not less than ten (10), nor more than sixty (60), days before the date of the meeting; provided, however that for special meetings such notice shall be given in accordance with Section 2, above. The notice shall specify the place, date and hour of the meeting and (i) in the case of a special meeting, the general nature of the business to be transacted, or (ii) in the case of the annual meeting, those matters which the Board of Directors, at the time of giving the notice, intends to present for action by the shareholders. The notice of any meeting at which directors are to be elected shall include the names of nominees intended at the time of the notice to be presented by the board for election, pursuant to Section 601 of the Corporations Code of California.

If action is proposed to be taken at any meeting for approval of (i) a contract or transaction in which a director has a direct or indirect financial interest, pursuant to Section 310 of the Corporations Code, (ii) an amendment of the Articles of Incorporation, pursuant to Section 902 of that Code, (iii) a reorganization of the Company, pursuant to Section 1201 of that Code,

or (iv) a voluntary dissolution of the Company, pursuant to Section 1900 of that Code, the general nature of that proposal shall be stated in the notice given to, or in the written waiver of notice received from, each shareholder entitled to vote thereon.

Section 4. MANNER OF GIVING NOTICE; AFFIDAVIT OF NOTICE. Notice of any meeting of shareholders shall be given, either personally or by first-class mail or other written communication, charges prepaid, addressed to the shareholder at the address of that shareholder appearing on the books of the Company or given by the shareholder to the Company for the purpose of notice. If no such address appears on the Company's books or is given by the shareholder, notice shall be deemed to have been given if sent to that shareholder by first-class mail or other written communication to the Company's office, or if the notice is published at least once in a newspaper of general circulation in the county where the Company's office is located. Notice shall be deemed to have been given at the time when delivered personally or deposited in the United States mail, charges prepaid, or other means of written communication. Notice may be given by electronic mail where the shareholder has consented in writing to receiving electronic notice and has provided an e-mail address for such notice.

If any notice addressed to a shareholder at the address of that shareholder appearing on the books of the Company is returned to the Company by the United States Postal Service marked to indicate that the United States Postal Service is unable to deliver the notice to the shareholder at that address, all future notices or reports shall be deemed to have been duly given without further mailing if these shall be available to the shareholder on that shareholder's written demand at the office of the Company for a period of one year from the date of the giving of the notice.

An affidavit of the mailing or other means of giving any notice of any shareholders' meeting shall be executed by the Secretary or any agent of the Company giving the notice, and shall be filed and maintained in the minute book of the Company.

Section 5. QUORUM. Twenty percent (20%) of the shareholders entitled to vote, represented in person or by proxy, shall constitute a quorum for the transaction of business at any meeting of the Company's shareholders. The shareholders present at a duly called or held meeting at which a quorum is present may continue to do business until adjournment, notwithstanding the withdrawal of enough shareholders to leave less than a quorum, if any action taken (other than adjournment) is approved by at least a majority of the shares required to constitute a quorum.

Section 6. ADJOURNED MEETING AND NOTICE THEREOF. Any shareholders' meeting, annual or special, whether or not a quorum is present, may be adjourned from time to time by the vote of the majority of the shares represented at that meeting, either in person or by proxy, but in the absence of a quorum no other business may be transacted at that meeting, except as provided in Section 5 of this Article IV.

When a shareholders' meeting, either annual or special, is adjourned to another time or place, notice need not be given of the adjourned meeting if the time and place of the adjourned meeting are announced at the meeting at which the adjournment is taken; provided, however, that if the adjournment is for more than 45 days or if after the adjournment a new

record date is fixed for the adjourned meeting, a notice of the adjourned meeting must be given to each shareholder of record entitled to vote at the meeting. The Board shall fix a new record date if the meeting is adjourned for more than 45 days from the date set for the original meeting. At any adjourned meeting, the Company may transact any business which might have been transacted at the original meeting.

Section 7. VOTING. Each outstanding share shall be entitled to one vote for each share of stock certified in a shareholder's name on each matter submitted to a vote of the shareholders. If a quorum is present, the affirmative vote of the majority of shares represented at the meeting and entitled to vote on the matter shall be the act of the shareholders.

Section 8. RECORD DATE FOR SHAREHOLDER NOTICE, VOTING, AND GIVING CONSENTS. For the purpose of determining the shareholders entitled to notice of any meeting or to vote or entitled to give consent to corporate action without a meeting, the Board of Directors may fix, in advance, a record date, which shall not be more than sixty (60) days, nor less than ten (10) days before the date of any such meeting, nor more than sixty (60) days before any such action without a meeting. In the event of action being taken without a meeting, only shareholders of record on the date so fixed are entitled to notice and to vote or to give consents, as the case may be, notwithstanding any transfer of any shares on the books of the Company after the record date, except as otherwise provided in the California General Corporation Law.

If the Board of Directors does not fix a record date:

(a) The record date for determining shareholders entitled to notice of or to vote at a meeting of shareholders shall be at the close of business on the business day next preceding the day on which notice is given or, if notice is waived, at the close of business on the business day next preceding the day on which the meeting is held.

(b) The record date for determining shareholders entitled to give consent to corporate action in writing without a meeting, when no prior action by the Board has been taken, shall be the day on which the first written consent is given.

(c) The record date for determining shareholders for any other purpose shall be at the close of business on the day on which the board adopts the resolution relating to such other purpose, or the 60th day prior to the date of such action, whichever is later.

(d) Shareholders at the close of business on the record date are entitled to notice and to vote, notwithstanding any transfer of any shares on the books of the Company after the record date, except as otherwise provided in the Articles of Incorporation or by agreement.

Section 9. WAIVER OF NOTICE OR CONSENT. The transactions of any meeting of shareholders, either annual or special, however called and noticed, and wherever held, shall be as valid as though had at a meeting duly held after regular call and notice, if a quorum is present either in person or by proxy, and if, either before or after the meeting, each person entitled to vote, who was not present in person or by proxy, signs a written waiver of notice or a consent to a holding of the meeting, or an approval of the minutes thereof. The

waiver of notice of consent need not specify either the business to be transacted or the purpose of any annual or special meeting of shareholders, except that if action is taken or proposed to be taken for approval of any of those matters specified in the second paragraph of Section 3 of this Article IV, the waiver of notice or consent shall state the general nature of the proposal. All such waivers, consents or approvals shall be filed with the corporate records or made a part of the minutes of the meeting.

Attendance by a person at a meeting shall also constitute a waiver of notice of that meeting, except when the person objects, at the beginning of the meeting, to the transaction of any business because the meeting is not lawfully called or convened, and except that attendance at a meeting is not a waiver of any right to object to the consideration of matters not included in the notice of the meeting if that objection is expressly made at the meeting.

Section 10. ACTION WITHOUT A MEETING. Any action which may be taken at any annual or special meeting of shareholders may be taken without a meeting and without prior notice, if a consent in writing, setting forth the action so taken, is signed by the holders of outstanding shares having not less than the minimum number of votes that would be necessary to authorize or take that action at a meeting at which all shares entitled to vote on that action were present and voted. In the case of election of directors, such a consent shall be effective only if signed by the holders of all outstanding shares entitled to vote for the election of directors; provided, however, that a director may be elected at any time to fill a vacancy on the Board of Directors that has not been filled by the directors, by the written consent of the holders of a majority of the outstanding shares entitled to vote for the election of directors. All such consents shall be filed with the Secretary of the Company and shall be maintained in the corporate records. Any shareholder giving a written consent, or the shareholders' proxy holders, or a transferee of the shares of a personal representative of the shareholder or their respective proxy holders, may revoke the consent only by a writing received by the Secretary of the Company before written consents of the number of shares required to authorize the proposed action have been filed with the Secretary, but may not do so thereafter.

If the consents of all shareholders entitled to vote have not been solicited in writing, and if the unanimous written consent of all such shareholders has not been received, the Secretary shall give prompt notice to those shareholders entitled to vote who have not consented in writing of the corporate action approved by the shareholders without a meeting. This notice shall be given in the manner specified in Section 4 of this Article IV In the case of approval of (i) contracts or transactions in which a director has a direct or indirect financial interest, pursuant to Section 310 of the California Corporations Code, (ii) indemnification of agents of the Company, pursuant to Section 317 of that Code, and (iii) a reorganization of the Company, pursuant to Section 1201 of that Code, the notice shall be given at least ten (10) days before the consummation of any action authorized by that approval.

Section 11. PROXIES. Every person entitled to vote for directors or on any other matter shall have the right to do so either in person or by one or more agents authorized by a written proxy signed by the person and filed with the Secretary of the Company. A proxy shall be deemed signed if the shareholder's name is placed on the proxy (whether by manual signature, typewriting or electronic transmission, or otherwise) by the shareholder or the shareholder's attorney in fact. A validly executed proxy which does not state that it is irrevocable shall

continue in full force and effect unless (i) revoked by the person executing it, before the vote pursuant to that proxy, by a writing delivered to the Company stating that the proxy is revoked, or by a subsequent proxy executed by, or attendance at the meeting and voting in person by, the person executing the proxy; or (ii) written notice of the death or incapacity of the maker of that proxy is received by the Company before the vote pursuant to that proxy is counted; provided, however, that no proxy shall be valid after the expiration of eleven (11) months from the date of the proxy, unless otherwise provided in the proxy. The revocability of a proxy that states on its face that it is irrevocable shall be governed by the provisions of Sections 705(e) and 705(f) of the California Corporations Code. Proxies solicited on behalf of management shall be exercised pursuant to majority vote of the Board of Directors.

Section 12. SIGNATURES ON BALLOTS, CONSENTS, WAIVERS OR PROXIES.

(a) If the name signed on a ballot, consent, waiver, or proxy appointment corresponds to the name of a shareholder, the Company, if acting in good faith, is entitled to accept the ballot, consent, waiver or proxy appointment and give it effect as the act of the shareholder.

(b) If the name signed on a ballot, consent, waiver, or proxy appointment does not correspond to the record name of a shareholder, the Company, if acting in good faith, is nevertheless entitled to accept the ballot, consent, waiver or proxy appointment and give it effect as the act of the shareholder if any of the following occur:

(1) The shareholder is an entity and the name signed purports to be that of an officer or agent of the entity.

(2) The name signed purports to be that of an attorney-in-fact of the shareholder and if the Company requests, evidence acceptable to the Company of the signatory's authority to sign for the shareholder have been presented with respect to the ballot, consent, waiver or proxy appointment.

(3) Two or more persons hold the stock as cotenants or fiduciaries and the name signed purports to be the name of at least one of the co-owners and the person signing appears to be acting on behalf of all the co-owners.

(4) The name signed purports to be that of an administrator, executor, guardian or conservator representing the shareholder and, if the Company requests, evidence of fiduciary status acceptable to the Company has been presented with respect to the ballot, consent, waiver or proxy appointment.

(5) The name signed purports to be that of a receiver or trustee in bankruptcy of the shareholder and, if the Company requests, evidence of that status acceptable to the Company has been presented with respect to the ballot, consent, waiver or proxy appointment.

(c) The Company is entitled to reject a ballot, consent, waiver or proxy appointment if the Secretary or other officer or agent authorized to tabulate votes, acting in good faith, has a

reasonable basis for doubt concerning the validity of the signature of the signatory's authority to sign for the shareholder.

(d) The Company and any officer or agent thereof who accepts or rejects a ballot, consent, waiver or proxy appointment in good faith and in accordance with the standards of this section shall not be liable in damages to the shareholder for the consequences of the acceptance or rejection.

(e) Corporate action based on the acceptance or rejection of a ballot, consent, waiver or proxy appointment under this section is valid unless a court of competent jurisdiction determines otherwise.

Section 13. INSPECTORS OF ELECTION. Before any meeting of shareholders, the Board of Directors may appoint any persons other than nominees for office to act as inspectors of election at the meeting or its adjournment. If no inspectors of election are so appointed, the Chairman of the meeting may, and on the request of any shareholder or a shareholder's proxy shall, appoint inspectors of election at the meeting. The number of inspectors shall be either one (1) or three (3). If inspectors are appointed at a meeting on the request of one or more shareholders or proxies, the holders of a majority of shares or their proxies present at the meeting shall determine whether one (1) or three (3) inspectors are to be appointed. If any person appointed fails to appear or fails or refuses to act, the Chairman of the meeting may, and upon the request of any shareholder or a shareholder's proxy shall, appoint a person to fill that vacancy.

These inspectors shall:

(a) Determine the number of shares outstanding and the voting power of each, the shares represented at the meeting, the existence of a quorum, and the authenticity, validity, and effect of proxies;

(b) Receive votes, ballots, or consents;

(c) Hear and determine all challenges and questions in any way arising in connection with the right to vote;

(d) Count and tabulate all votes or consents;

(e) Determine when the polls shall close;

(f) Determine the result;

(g) Do any other acts that may be proper to conduct the election or vote with fairness to all shareholders; and

(h) Perform their duties impartially, in good faith, to the best of their ability and as expeditiously as is practical.

If there are three inspectors of election, the decision, act or certificate of a majority is effective in all respects as the decision, act, or certificate of all.

ARTICLE V

DIRECTORS

Section 1. GENERAL POWERS. The business and affairs of the Company shall be managed by a Board of Directors which shall exercise all of the powers of the Company, as more fully described below, except those powers that are by law, the Articles of Incorporation or these Bylaws conferred upon or reserved to the shareholders. The Board may delegate the management of the day-to-day operation of the business of the Company to a manager or other person, provided that the business and affairs of the Company shall be managed and all corporate powers shall be exercised under the ultimate direction of the Board.

Without prejudice to these general powers, and subject to the same limitations, the directors shall have the power to:

(a) Select and remove all officers, agents, and employees of the Company; prescribe any powers and duties for them that are not inconsistent with law, with the Articles of Incorporation, and with these Bylaws; fix their compensation; and require from them security for faithful service.

(b) Conduct, manage and control the affairs and business of the Company, and make such rules and regulations pertaining thereto not inconsistent with law, with the Articles of Incorporation, or with these Bylaws, as they may deem best.

(c) Change the Company's office from one location to another.

(d) Adopt, make, and use a corporate seal, prescribe the forms of certificates of stock; and alter the form of the seal and certificates.

(e) Borrow money and incur indebtedness on behalf of the Company, and cause to be executed and delivered for the Company's purposes, in the corporate name, promissory notes, bonds, debentures, deeds of trust, mortgages, pledges, hypothecations, and other evidences of debt and securities.

(f) Levy, collect and enforce assessments upon and from the capital stock and shareholders of this Company, to raise money for the purposes of this Company.

(g) Fix and define the rates to be charged the shareholders for water service.

Section 2. NUMBER AND QUALIFICATION OF DIRECTORS. The number of directors of the Company shall be five (5). Each director must be a shareholder of record of the Company. In the event any shares of the Company are owned of record by any other corporation, partnership or limited liability company, any person duly appointed by that

entity shall be eligible to act as a member of the Company's Board of Directors. Three members of the Board of Directors shall constitute a quorum for the transaction of business.

Section 3. ELECTION AND TERM OF OFFICE OF DIRECTORS. Commencing with the election of directors at the 2015 annual shareholders' meeting, directors shall serve terms of four (4) years, except for two directors' positions to be elected at that meeting, which shall be determined by lot to serve terms of only two (2) years and which shall therefore end in conjunction with the 2017 annual shareholders' meeting. Upon completion of the 2015 annual shareholders' meeting, the Company shall notify all shareholders of the directors elected and shall identify which directors are serving two (2) year terms and which directors are serving four (4) year terms. After the 2015 annual shareholders' meeting, directors shall be elected every two (2) years in staggered terms at the annual meeting of the shareholders for the applicable year, such that: (a) those two directors' positions determined at the 2015 annual shareholders' meeting to serve two (2) year terms shall be elected at the 2017 annual shareholders' meeting to four (4) year terms, to expire in conjunction with the 2021 annual shareholders' meeting, and (b) those three directors' positions determined at the 2015 annual shareholders' meeting to serve four (4) year terms shall be elected at the 2019 annual shareholders' meeting to four (4) year terms, to expire in conjunction with the 2023 annual shareholders' meeting, and so on for future annual shareholders' meetings. If any such annual meeting is not held or if the directors are not elected at a particular annual meeting at which the directors' positions were to otherwise be elected, the directors may be elected at a special meeting of shareholders held for that purpose. Each director, including a director appointed or elected to fill a vacancy, shall hold office until the expiration of the term for which elected and until a successor has been elected and qualified. Voting for directors at shareholders' meetings need not be by ballot unless some shareholder present demands this method before the voting has begun.

Section 4. VACANCIES. Vacancies in the Board of Directors may be filled by a majority of the remaining directors, though less than a quorum, or by a sole remaining director, except that a vacancy created by the removal of a director by the vote or written consent of the shareholders or by court order may be filled only by the vote of a majority of the shares entitled to vote represented at a duly held meeting at which a quorum is present, or by the written consent of holders of a majority of the outstanding shares entitled to vote. Each director so elected or appointed shall hold office for the completion of the term of the position for which that vacancy occurs and until a successor has been elected and qualified.

A vacancy or vacancies in the Board of Directors shall be deemed to exist in the event of the death, resignation, or removal of any director, or if the Board of Directors by resolution declares vacant the office of a director who has been declared of unsound mind by an order of court, or who has been convicted of a felony, or who the membership determines to have committed malpractice, fraud, misrepresentation or incompetency; or if the authorized number of directors is increased, or if the shareholders fail, at any meeting of shareholders at which any director or directors are elected, to elect the number of directors to be voted for at that meeting.

The shareholders may elect a director or directors at any time to fill any vacancy or vacancies not filled by the directors, but any such election by written consent shall require the consent of a majority of the outstanding shares entitled to vote.

No reduction of the authorized number of directors shall have the effect of removing any director before that director's term of office expires.

Section 5. PLACE OF MEETINGS; NOTICE. Meetings of the Board of Directors may be held at any place that has been designated from time to time by resolution of the Board. In the absence of such a designation, regular meetings shall be held at the Company's office. Special meetings of the Board shall be held at any place that has been designated in the notice of the meeting or, if not stated in the notice, at the Company's office. Notice of such meetings shall be posted in accordance with applicable law.

Section 6. ORGANIZATIONAL MEETING OF DIRECTORS. As soon as practicable after each annual meeting of shareholders at which directors are elected, the Board of Directors shall hold a regular meeting for the purpose of organization, the desired election of officers, and the transaction of other business.

Section 7. REGULAR MEETINGS. In addition to the meeting referenced in Section 6 above, other regular meetings of the Board of Directors shall be held at such time as shall from time to time be fixed by the Board of Directors.

Section 8. SPECIAL MEETINGS. Special meetings of the Board of Directors for any purpose or purposes may be called at any time by the President or any two directors.

Section 9. NOTICE OF SPECIAL MEETINGS. Notice of the time and place of special meetings shall be delivered personally, by facsimile, by electronic mail or by telephone to each director or sent by first-class mail, charges prepaid, addressed to each director at that director's address as it is shown on the records of the Company, or as may have been given to the Company by the director for purposes of notice, or, if such address is not shown on such records or is not readily ascertainable, at the place where the meetings of the directors are regularly held. In case the notice is mailed, it shall be deposited in the United States mail at least four (4) days before the time of the holding of the meeting. In case the notice is delivered personally, or by facsimile or telephone, it shall be delivered personally or by facsimile or telephone at least forty-eight (48) hours before the time of the holding of the meeting. Any oral notice given personally or by telephone may be communicated either to the director or to a person at the office of the director who the person giving the notice has reason to believe will promptly communicate it to the director.

Section 10. QUORUM. A majority of the authorized number of directors shall constitute a quorum for the transaction of business, except to adjourn as provided in Section 13 of this Article V. Every act or decision done or made by a majority of the directors present at a meeting duly held at which a quorum is present shall be regarded as the act of the Board of Directors, subject to the provisions of Section 310 of the California Corporations Code (as to approval of contracts or transactions in which a director has a direct or indirect material financial interest), Section 311 of that Code (as to appointment of committees), and Section 317(e) of that

Code (as to indemnification of directors). A meeting at which a quorum is initially present may continue to transact business notwithstanding the withdrawal of directors, if any action taken is approved by at least a majority of the required quorum for that meeting.

Section 11. WAIVER OF NOTICE. The transactions of any meeting of the Board of Directors, however called and noticed or wherever held, shall be as valid as though had at a meeting duly held after regular call and notice if a quorum is present and if, either before or after the meeting, each of the directors not present signs a written waiver of notice, a consent to holding the meeting or an approval of the minutes. The waiver of notice or consent need not specify the purpose of the meeting. All such waivers, consents, and approvals shall be filed with the corporate records or made a part of the minutes of the meeting. Notice of a meeting shall also be deemed given to any director who attends the meeting without protesting, before or at its commencement, the lack of notice to that director.

Section 12. ADJOURNED MEETING AND NOTICE THEREOF. A majority of the directors present, whether or not constituting a quorum, may adjourn any meeting to another time and place. Notice of the time and place of holding an adjourned meeting need not be given, unless the meeting is adjourned for more than twenty-four (24) hours, in which case notice of the time and place shall be given before the time of the adjourned meeting, in the manner specified in Section 9 of this Article V, to the directors who were not present at the time of the adjournment.

Section 13. PERFORMANCE OF DUTIES BY DIRECTOR; LIABILITY.

(a) A director shall perform the duties of a director, including duties as a member of any committee of the board upon which the director may serve, in good faith, in a manner such director believes to be in the best interests of the Company and its shareholders and with such care, including reasonable inquiry, as an ordinarily prudent person in a like position would use under similar circumstances.

(b) In performing the duties of a director, a director shall be entitled to rely on information, opinions, reports or statements, including financial statements and other financial data, in each case prepared or presented by any of the following:

(1) One or more officers or employees of the Company whom the director believes to be reliable and competent in the matters presented.

(2) Counsel, independent accountants or other persons as to matters which the director believes to be within such person's professional or expert competence.

(3) A committee of the board upon which the director does not serve, as to matters within its designated authority, which committee the director believes to merit confidence, so long as, in any such case, the director acts in good faith, after reasonable inquiry when the need therefor is indicated by the circumstances and without knowledge that would cause such reliance to be unwarranted.

(c) A person who performs the duties of a director in accordance with subdivisions (a) and (b) shall have no liability based upon any alleged failure to discharge the person's obligations as a director.

Section 14. RESIGNATION. Any director may resign effective on giving written notice to the President, the Secretary, or the Board of Directors, unless the notice specifies a later time for that resignation to become effective. If the resignation of a director is effective at a future time, the Board of Directors may elect a successor to take office when the resignation becomes effective. In the event a director fails to attend six (6) or more consecutive meetings of the Board of Directors without the prior consent of the Board, whether such meetings are organizational, regular and/or special, the director shall be deemed to have resigned and such resignation will be effective when, by resolution of the Board of Directors at the sixth consecutive missed meeting or any subsequent meeting, the Board finds that the director has failed to attend six (6) or more consecutive meetings without the prior consent of the Board, and is deemed to have resigned. Notice of such action taken by the Board of Directors shall be given to the resigned director by the Secretary.

Section 15. FEES AND COMPENSATION. Directors and members of committees may receive such compensation, if any, for their services, and such reimbursement for expenses, as may be fixed or determined by resolution of the Board of Directors. No director or employee shall receive any personal loan from the Company.

Section 16. RIGHTS OF INSPECTION. Every director shall have the absolute right at any reasonable time to inspect and copy all books, records and documents of every kind and to inspect the physical properties of the Company. Such inspection by a director may be made in person or by agent or attorney and includes the right to copy and obtain extracts.

ARTICLE VI

OFFICERS

Section 1. OFFICERS. The officers of the Company shall be a President, a Vice President, a Treasurer and a Secretary. The Company may also have, at the discretion of the Board of Directors, one or more assistant secretaries, and such other officers as may be appointed in accordance with the provisions of Section 2 of this Article VI. Any number of offices may be held by the same person, although the person serving as President may not also serve as Secretary or Treasurer. The President and Vice President shall be members of the Board of Directors, but the Secretary and Treasurer is not required to be a member of the Board of Directors.

Section 2. ELECTION OF OFFICERS AND TERM OF OFFICE. The officers of the Company, except such officers as may be appointed in accordance with the provisions of Section 3 or Section 8 of this Article VI, shall be elected annually by the Board of Directors at the first meeting of the Board of Directors following the annual meeting of the shareholders. If the election of officers shall not be held at such meeting, such election shall be held as soon thereafter as conveniently may be. New offices may be created and filled at any

meeting of the Board of Directors. Each officer shall hold office until his successor shall have been duly elected and shall have qualified.

Section 3. VACANCIES IN OFFICES. A vacancy in any office because of death, resignation, removal, disqualification or any other cause may be filled by the Board of Directors for the unexpired portion of the term.

Section 4. REMOVAL AND RESIGNATION OF OFFICERS. Subject to the rights, if any, of an officer under any contract of employment, any officer may be removed, either with or without cause, by the Board of Directors, at any regular or special meeting of the Board, or, except in case of an officer chosen by the Board of Directors, by any officer upon whom such power of removal may be conferred by the Board of Directors.

Any officer may resign at any time by giving written notice to the Company. Any resignation shall take effect at the date of the receipt of that notice or at any later time specified in that notice; and, unless otherwise specified in that notice, the acceptance of the resignation shall not be necessary to make it effective. Any resignation is without prejudice to the rights, if any, of the Company under any contract to which the officer is a party.

Section 5. PRESIDENT. The powers and duties of the President are as follows:

(a) Be the principal executive officer of the Company and, unless otherwise determined by the members of the Board of Directors, shall preside at all meetings of the shareholders and the Board of Directors;

(b) Sign any deeds, mortgages, deeds of trust, notes, bonds, contracts or other instruments authorized by the Board of Directors to be executed, including stock certificates, except in cases in which the signing and execution thereof shall be expressly delegated by the Board of Directors or by these Bylaws to some other officer or agent of the Company, or shall be required by law to be otherwise signed or executed; and

(c) In general, perform all duties as may be prescribed by the Board of Directors from time to time.

Section 6. VICE PRESIDENT. In the absence of the President, the Vice President shall perform all the duties of the President, and when so acting shall have all the powers of, and be subject to all the restrictions upon, the President. The Vice President shall also perform such other duties as from time to time may be assigned to him or her by the Board of Directors or the President.

Section 7. TREASURER. The duties of the Treasurer are as follows:

(a) Have charge and custody of and be responsible for all funds and securities of the Company;

(b) Be responsible for the receipt of, and the issuance of receipts for all money due and payable to the Company, and for the deposit of all such moneys in the name of the Company in such bank or banks as shall be selected in accordance with the provisions of these Bylaws; and

(c) In general, perform all duties incidental to the office of Treasurer, and such other duties as from time to time may be assigned to him or her by the Board of Directors or the President.

Section 7. SECRETARY. The duties of the Secretary are as follows:

(a) Keep the Minutes of the meetings of the shareholders and of the Board of Directors in one or more books provided for that purpose;

(b) See that all notices are duly given in accordance with these Bylaws or as required by law;

(c) Be custodian of the corporate records and of the seal of the Company and affix the seal of the Company to documents, the execution of which on behalf of the Company under its seal is duly authorized in accordance with the provisions of these Bylaws;

(d) Keep a register of the names and addresses of all shareholders, and a share register, or a duplicate share register, showing the number and classes of shares held by each shareholder, the number and date of certificates issued for the same, and the number and date of cancellation of every certificate surrendered for cancellation;

(e) Have general charge of the books of the Company;

(f) Keep on file at all times a complete copy of the Articles of Incorporation and Bylaws of the Company, including all amendments thereto (which copy shall always be available for inspection by any shareholder, and at the Company's expense, forward a copy of the Bylaws and of all amendments thereto to each shareholder);

(g) In general, perform all duties incidental to the office of Secretary, and such other duties as from time to time may be assigned to him or her by the Board of Directors or the President.

Section 9. SUBORDINATE OFFICERS. The Board of Directors may appoint such other officers as the business of the Company may require, including but not limited to assistant secretaries and assistant treasurers, each of whom shall hold office for such period, have such authority and perform such duties as are provided in the Bylaws or as the Board of Directors may from time to time determine.

ARTICLE VII

INDEMNIFICATION OF DIRECTORS, OFFICERS, EMPLOYEES, AND OTHER AGENTS

Section 1. AGENTS, PROCEEDINGS, AND EXPENSES. For the purposes of this Article, "agent" means any person who is or was a director, officer, employee, or other agent of this Company; "proceeding" means any threatened, pending or completed action or proceeding, whether civil, criminal, administrative, or investigative; and "expenses" includes,

without limitation, attorneys' fees and any expenses of establishing a right to indemnification under Sections 4 or 5 of this Article.

Section 2. ACTIONS OTHER THAN BY THE COMPANY. This Company shall indemnify any person who was or is a party, or is threatened to be made a party, to any proceeding (other than an action by or in the right of this Company) by reason of the fact that such person is or was an agent of this Company, against expenses, judgments, fines, settlements and other amounts actually and reasonably incurred in connection with such proceeding if that person acted in good faith and in a manner that person reasonably believed to be in the best interests of this Company and, in the case of a criminal proceeding, had no reasonable cause to believe such conduct was unlawful. The termination of any proceeding by judgment, order, settlement, conviction, or upon a plea of nolo contendere or its equivalent shall not, of itself, create a presumption that the person did not act in good faith and in a manner which the person reasonably believed to be in the best interests of this Company or that the person had reasonable cause to believe that the person's conduct was unlawful.

Section 3. ACTIONS BY THE COMPANY. This Company shall indemnify any person who was or is a party, or is threatened to be made a party, to any threatened, pending or completed action by or in the right of this Company to procure a judgment in its favor by reason of the fact that such person is or was an agent of this Company, against expenses actually and reasonably incurred by such person in connection with the defense or settlement of that action if such person acted in good faith and in a manner the person believed to be in the best interests of the Company and its shareholders. However, no indemnification shall be made under this section for any of the following:

(a) In respect of any claim, issue or matter as to which that person is adjudged to be liable to this Company in the performance of the person's duty to this Company and its shareholders, unless and only to the extent that the court in which that action was brought determines upon application that, in view of all the circumstances of the case, that person is fairly and reasonably entitled to indemnity for expenses and then only to the extent which the court determines;

(b) Of amounts paid in settling or otherwise disposing of a pending action without court approval; or

(c) Of expenses incurred in defending a pending action which is settled or otherwise disposed of without court approval.

Section 4. SUCCESSFUL DEFENSE BY AGENT. To the extent that an agent of this Company successfully defends any proceeding referred to in Sections 2 or 3 of this Article, or any claim, issue, or matter therein, the agent shall be indemnified against expenses actually and reasonably incurred by the agent in connection therewith.

Section 5. REQUIRED APPROVAL. Except as provided in Section 4 of this Article, any indemnification under this Article shall be made by this Company only if authorized in the specific case on a determination that indemnification of the agent is proper in the

circumstances because the agent has met the applicable standard of conduct set forth in Sections 2 or 3 of this Article, by any of the following:

(a) A majority vote of a quorum consisting of directors who are not parties to the proceeding;

(b) If such a quorum of directors is not obtainable, by independent legal counsel in a written opinion;

(c) Approval by the affirmative vote of a majority of the shares of this Company entitled to vote represented at a duly held meeting at which a quorum is present or by the written consent of holders of a majority of the outstanding shares entitled to vote. For this purpose, the shares owned by the person to be indemnified shall not be considered outstanding or entitled to vote thereon; or

(d) The court in which the proceeding is or was pending, on application made by this Company or the agent or the attorney or other person rendering services in connection with the defense, whether or not such application by the agent, attorney, or other person is opposed by this Company.

Section 6. ADVANCE OF EXPENSES. Expenses incurred in defending any proceeding may be advanced by this Company before the final disposition of the proceeding on receipt of an undertaking by or on behalf of the agent to repay such amount of the advance if it is determined ultimately that the agent is not entitled to be indemnified as authorized in this Article.

Section 7. OTHER CONTRACTUAL RIGHTS. The indemnification provided by this section shall not be deemed exclusive of any other rights to which those seeking indemnification may be entitled under any Bylaw, agreement, vote of shareholders or disinterested directors or otherwise, both as to action in an official capacity and as to action in another capacity while holding such office. The rights to indemnity hereunder shall continue as to a person who has ceased to be a director, officer, employee, or agent and shall inure to the benefit of the heirs, executors, and administrators of the person. Nothing contained in this Article shall affect any right to indemnification to which persons other than directors and officers of this Company or any subsidiary hereof may be entitled by contract or otherwise.

Section 8. LIMITATIONS. No indemnification or advance shall be made under this Article, except as provided in Sections 4 or 5, in any circumstance where it appears:

(a) That it would be inconsistent with a provision of the Articles of Incorporation, the Bylaws, a resolution of the shareholders, or an agreement in effect at the time of the accrual of the alleged cause of action asserted in the proceeding in which the expenses were incurred or other amounts were paid, which prohibits or otherwise limits indemnification; or

(b) That it would be inconsistent with any condition expressly imposed by a court in approving a settlement.

Section 9. INSURANCE. Upon and in the event of a determination by the Board of Directors of this Company to purchase such insurance, this Company shall purchase and maintain insurance on behalf of any agent of the Company against any liability asserted against or incurred by the agent in such capacity or arising out of the agent's status as such, whether or not this Company would have the power to indemnify the agent against that liability under the provisions of this section.

ARTICLE VIII

RECORDS AND REPORTS

Section 1. ANNUAL REPORT TO SHAREHOLDERS AND ADDITIONAL DISCLOSURES. The Board of Directors shall cause an annual report to be sent to the shareholders not later than one hundred twenty (120) days after the close of the fiscal year adopted by the Company. This report shall be sent at least fifteen (15) days before the annual meeting of shareholders to be held during the next fiscal year and in the manner specified in Section 4 of Article IV of these Bylaws for giving notice to shareholders of the Company. This report shall contain a balance sheet as of the end of the fiscal year and an income statement and statement of changes in financial position for the fiscal year, accompanied by any report of independent accountants or, if there is no such report, the certificate of an authorized officer of the Company that the statements were prepared without audit from the books and records of the Company.

Section 2. FINANCIAL STATEMENTS ANNUAL REVIEW. A copy of any annual financial statement and any income statement of the Company for each quarterly period of each fiscal year, and any accompanying balance sheet of the Company as to the end of each such period, that has been prepared by the Company shall be kept on file in the office of the Company for twelve (12) months and each such statement shall be exhibited at all reasonable times to any shareholder demanding an examination of any such statement. A financial review of the Company shall be conducted annually, and the results of such review shall be maintained in the corporate records for inspection as provided by law.

Section 3. MAINTENANCE AND INSPECTION OF BYLAWS. The Company shall keep at its office the original or a copy of the Bylaws as amended to date, which shall be open to inspection by the shareholders at all reasonable times during office hours.

Section 4. MAINTENANCE AND INSPECTION OF SHARE REGISTER. The Company shall keep at its office a record of its shareholders and the number of shares held by each shareholder. The record of shareholders shall be open to inspection on the written demand of any shareholder or holder of a voting trust certificate, at any time during usual business hours, for a purpose reasonably related to the holder's interests as a shareholder or as the holder of a voting trust certificate. Any inspection and copying under this Section 4 may be made in person or by an agent or attorney of the shareholder or holder of a voting trust certificate making the demand.

Section 5. MAINTENANCE AND INSPECTION OF OTHER CORPORATE RECORDS. The accounting books and records and minutes of proceedings of

the shareholders and the Board of Directors and any committee or committees of the Board of Directors shall be kept at such place or places designated by the Board of Directors, or, in the absence of such designation, at the office of the Company. The minutes shall be kept in written form and the accounting books and records shall be kept either in written form or in any other form capable of being converted into written form. The minutes and accounting books and records shall be open to inspection upon written demand, by those persons authorized by law, at any reasonable time during the usual business hours, for a purpose reasonably related to the holder's interests as a shareholder or as the holder of a voting trust certificate. The inspection may be made in person or by an agent or attorney, and shall include the right obtain copies at the Company's cost of duplication.

ARTICLE IX

CONCERNING THE WATERS OF THE COMPANY, THEIR MANAGEMENT, DELIVERY AND USE

Section 1. WATER RATES AND DISTRIBUTION.

(a) The Company was incorporated as a mutual water company, organized for the purpose solely of delivering water to its shareholders at cost. The Company shall deliver water to no one except its shareholders at cost, and to them for their use only upon lands situated within the boundaries of the land described in Section 2, below. Only the person whose name is subscribed to the stock certificate shall be deemed a shareholder of the Company; and by accepting the issuance of said stock certificate, that shareholder agrees to be bound by the provisions of these Restated Bylaws, the Company's Articles of Incorporation and all rules and regulations duly adopted by the Board of Directors.

(b) The method of distributing the water and collecting the amount due therefor shall be fixed by the Board of Directors. In fixing the amount to be collected, the amount shall not be fixed with a view of making a profit, but only to raise sufficient revenue to pay and discharge the lawful obligations of the Company, and to provide for a prudent reserve as required by law to protect the Company and its shareholders in the event of a catastrophic event. The Board of Directors shall have the power, and is hereby authorized, to divide the use of water as it deems appropriate, and it may establish such rates to be charged for water used or available for use by any shareholder as in its discretion is just and reasonable.

(c) The Board of Directors may, if it so desires, charge all operating expenses to the shareholders actually using water, but all other amounts necessary to be raised shall be paid by all the shareholders in the proportion which the number of shares owned by each shareholder bears to the total number of shares of the capital stock of this Company.

(d) Each shareholder shall be entitled to receive that proportion of the Company's available water supply to which the stock owned by him or her bears to the total capital stock of the Company. If the amount of water available to any shareholder is more than the shareholder requires for his or her use at any particular time, then the Board of Directors may sell such surplus water to other shareholders of the Company, but the failure of any shareholder at any

time to use the whole amount of water to which the shareholder is entitled shall not affect the shareholder's right to receive and use the whole amount of water to which the shareholder is entitled at any time the shareholder requests the Company, in writing, to deliver the same to the shareholder.

(e) Assessments for the installation, depreciation, maintenance, betterment and operation of the pipelines and water system owned by the Company may be levied by the Board of Directors on the shareholders from time to time as deemed necessary. Notice of such assessments shall be served upon the shareholders of record in the manner prescribed by law. Delinquent assessments shall be subject to such penalties as may be fixed by the Board of Directors, including possible forfeiture of shares pursuant to Section 9 of this Article.

(f) The Company shall have no power to and it shall not act in any manner as a public utility, or exercise any of the functions of a public utility.

Section 2. STOCK APPURTENANT TO CERTAIN LANDS.

(a) All of the water of the Company shall be distributed, supplied and delivered for irrigation purposes or for domestic purposes only to owners of the capital stock of this Company, and for use only upon land situated within the exterior boundaries of that certain parcel of land situated, lying and being in the County of Los Angeles, State of California, as provided in the Articles of Incorporation for the Company.

Provided, however that such area may be expanded by a duly adopted amendment of the Company's Articles of Incorporation by the Company's shareholders.

(b) All capital stock issued by the Company shall be appurtenant to certain lands when the same are described in the certificate issued therefor. The shares of stock appurtenant to such land shall only be transferred with such land and shall pass as an appurtenance thereto; provided, however, that when the lands to which any such stock is made appurtenant are divided, that stock will be divided with such lands ratably, and thereupon new certificates for said stock shall be issued, each certificate describing the portion of such lands to which the stock represented by that certificate thereafter is to be appurtenant. Upon the division of any lands to which any of said stock has been so made appurtenant, if the certificate representing such stock is not surrendered, the officers of this Company shall have the power to cancel that certificate on the Company's books and to issue new certificates ratably to the respective owners of the parcels into which such lands have been divided, as though said certificate actually had been surrendered, and by acceptance of any certificate of stock of this Company the holder thereof irrevocably appoints the officers of this Company his or her attorneys in fact for such purpose.

(c) If any stock which has been made appurtenant to certain lands is sold separate from such lands, either by the owner of such stock or at a delinquent sale under an assessment levied by this Company or under any pledge or pursuant to any court order or otherwise, such stock shall not entitle the purchaser or any future owner thereof to the use of any water upon any lands other than the lands described in the certificate representing the stock so sold.

Section 3. CERTIFICATES FOR SHARES. Certificates of stock shall be issued only when fully paid for, and shall contain a description of the lot or lots to which such share or shares are appurtenant, and shall thereupon be and become appurtenant to such lot or lots. Certificates of stock shall only be transferred with such lot or lots and shall pass as an appurtenance thereto. The lot or lots above referred to are situated within the exterior limits of the real property described in Section 2 above. No water shall be obtained or used under or by virtue of any shares of stock until the stock has become appurtenant to some definite lots or lots situated within said exterior boundaries.

Section 4. TRANSFER OF STOCK. On the transfer of the whole or any part of the land to which the shares of this Company are made appurtenant, the owner of the stock certificate must endorse his name upon the same and surrender it to the Company, at the office of the Company, for cancellation, so that a new certificate issued in accordance with Section 2(b) of this Article may be issued to those who shall be the owner of said land. If the said certificate is not so surrendered, it shall be the duty and power of the officers of this Company to cancel the same on the books of the Company, and issue a new certificate to the owner or owners of said lands, as though the certificate had actually been surrendered; and the acceptor of this certificate, by acceptance hereof, appoints the officers of the Company his agents for such purposes.

Section 5. LOST CERTIFICATES. Except as provided in this Section 5, no new certificates for shares shall be issued to replace an old certificate unless the latter is surrendered to the Company and cancelled at the same time. The Board of Directors may, in case any share certificate or certificate for any other security is lost, stolen, or destroyed, authorize the issuance of a replacement certificate on such terms and conditions as the Board may require, including provision for indemnification of the Company secured by a bond or other adequate security sufficient to protect the Company against any claim that may be made against it, including any expense or liability, on account of the alleged loss, theft, or destruction of the certificate or the issuance of the replacement certificate.

Section 6. CANCELLATION OF WATER SERVICE. If any shareholder refuses or fails to pay his or her water charges, assessments or any other amounts owing to the Company when due, in accordance with established rules of service, it shall be the duty of the officers of the Company to disconnect the water distribution system from such shareholder's land and to decline to furnish water thereon, and the Company shall not be bound to furnish water thereon to such shareholder or his or her successors, or to any lessee of said land, or to any person thereon, until the said water charges in default and the expense of disconnection and reconnection are paid by or for such shareholder.

Section 8. FORFEITURE AND RECOVERY OF SHARES. Any shares of stock upon which water charges, assessments or any other amounts owing to the Company become delinquent shall be forfeited to the Company, and the holder of said stock shall surrender the certificate of shares to the Company; provided that any shareholder who is required to forfeit his or her shares to the Company shall be entitled to a hearing before the Board of Directors at a time and place to be fixed by the Board of Directors, and the decision of the Board of Directors at such hearing shall be final. A civil action for collection may be undertaken against any holder of delinquent shares.

Shares which have been forfeited for failure to pay water charges or assessments may be recovered by the original owner, by the payment of the charges or assessments and all subsequent charges, assessments and penalties, and interest on such sums, from the time they became delinquent, provided the person or persons making application for recovery tenders to the Company the amount required as aforesaid, within six months from the date of such forfeiture.

Section 9. COMPANY SECURITY INTEREST. The Company shall have, and is hereby given, a lien upon the land of each shareholder to which such shareholder's shares of the capital stock of this Company are appurtenant by way of security for any moneys due or to become due from such shareholder to the Company for water delivered or to be delivered by it to the shareholder or to said land, and for any assessment or charge of any kind whatsoever that may be hereafter levied by the Company or charged against said shareholder, which lien shall continue until the amount thereof is paid or said land is sold to satisfy the lien in the manner required by law. The Company is expressly authorized to record a notice of such lien with the Los Angeles County Recorder to perfect its security interest granted hereunder in the event of a delinquency in the payment of any moneys do from a shareholder to the Company.

ARTICLE X

GENERAL CORPORATE MATTERS

Section 1. RECORD DATE FOR PURPOSES OTHER THAN NOTICE AND VOTING. For purposes of determining the shareholders entitled to receive payment of any distribution or allotment of any rights or entitled to exercise any rights in respect of any other lawful action (other than action by shareholders by written consent without a meeting), the Board of Directors may fix, in advance, a record date which shall not be less than ten (10) days nor more than sixty (60) days before any such action, and in that case only shareholders of record on the date so fixed are entitled to receive the distribution or allotment of rights or to exercise the rights, as the case may be, notwithstanding any transfer of any shares on the books of the Company after the record date so fixed, except as otherwise provided in the California General Corporation Law.

If the Board of Directors does not so fix a record date, the record date for determining shareholders for any such purpose shall be at the close of business on the day on which the Board adopts the applicable resolution or the sixtieth (60th) day before the date of that action, whichever is later.

Section 2. CHECKS, DRAFTS, EVIDENCES OF INDEBTEDNESS. All checks, drafts, or other orders for payment of money, notes, or other evidences of indebtedness, issued in the name of or payable to the Company, shall be signed or endorsed by such person or persons and in such manner as, from time to time, shall be determined by action or resolution of the Board of Directors. All checks issued by the Company shall be signed by two duly authorized persons, with the exception of checks drawn against petty cash, which are signed by only one person.

Section 3. CORPORATE CONTRACTS AND INSTRUMENTS; HOW EXECUTED. The Board of Directors, except as otherwise provided in these Bylaws, may authorize any officer or officers, agent or agents, to enter into any contract or execute any instrument in the name of and on behalf of the Company, and this authority may be general or confined to specific instances; and, unless so authorized or ratified by the Board of Directors or within the agency power of an officer, no officer, agent, or employee shall have any power or authority to bind the Company by any contract or engagement or to pledge its credit or to render it liable for any purpose or for any amount.

Section 4. CONSTRUCTION AND DEFINITIONS. Unless the context requires otherwise, the general provisions, rules of construction, and definitions in the California General Corporation Law shall govern the construction of these Bylaws. Without limiting the generality of this provision, the singular number includes the plural, the plural number includes the singular, and the term "person" includes both a corporation and a natural person.

ARTICLE XI

AMENDMENTS

Section 1. AMENDMENT OF BYLAWS. Except as provided by law, the Bylaws of the Company may be amended or repealed by the vote or written consent of holders of a majority of the shares represented and voting at a duly held meeting at which a quorum is present so long as the shares voting affirmatively also constitute at least a majority of the required quorum. A copy of the proposed bylaw amendment(s) shall be provided to the shareholders with the meeting notice provided in accordance with Article IV, Section 3, above.

Section 2. AMENDMENT OF BYLAWS BY BOARD OF DIRECTORS. Subject to the right of shareholders to adopt, amend or repeal these Bylaws, as provided in Section 1, above, the Board of Directors may adopt new Bylaws, or amend or repeal these Bylaws, except as otherwise prohibited by law. The Board of Directors shall provide written notice to the shareholders of any such action concerning the Company's Bylaws within seven (7) days after the approval of that action.

SECRETARY'S CERTIFICATE OF ADOPTION OF RESTATED BYLAWS

I hereby certify that I am the duly elected and acting Secretary of The Las Flores Water Company, a California corporation, and that the foregoing Restated Bylaws constitute the Restated Bylaws of said corporation as duly adopted at a meeting of the Board of Directors of said corporation held on November 17, 2014.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed the seal of said corporation this 17th day of November, 2014.

Gary Bryant

Gary J. Bryant, Secretary

LAS FLORES WATER CO. INC. JUNE 1885